

SECRETSAPC 13810
COPY 1 OF 3

Westinghouse

ELECTRIC CORPORATION

PHONE: LINTHICUM 1000
FRIENDSHIP INT'L AIRPORT
BOX 746, BALTIMORE 3, MD.

8 March 1957

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SUBJECT: Terrain Avoidance Proposal

Reference (1): AAN-30342 Westinghouse Proposal Letter dated 21 Dec. 1956
Reference (2): Terrain Avoidance Proposal Letter dated 22 January 1957

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To confirm previous discussions with [redacted] we wish to advise that a cost-plus-fixed-fee type contract based on the provisions of the CPFF Basic Agreement with the Air Force, a copy of which you have, is acceptable to us. Our previous quotations as outlined in the referenced letter apply to this program if it is conducted on a CPFF basis. The overhead, G & A, and profit rates presented in this quotation are applicable for estimating purposes. The 7% profit shown is the normal profit applied to our other Air Force CPFF type programs as a fixed fee.

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For your further information as requested by [redacted] we are outlining below the information which we suggest for inclusion in the schedule:

- (1) Description of work including applicable Specifications.
- (2) Inspection Clause including by whom and where inspection will be performed and including f.o.b. point.
- (3) Delivery dates and delivery instructions.
- (4) Negotiated overhead rates references worded as follows (this is exact wording presently being used by Air Force):

NEGOTIATED OVERHEAD RATES

(a) Overhead Periods - The periods, as contemplated by paragraph (b) of the clause of the General Provisions hereof entitled "Negotiated Overhead Rates", shall be

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for twelve (12) months each, except that the first period shall extend from commencement of performance under this Contract (Reference General Provision B-1 hereof) to 1 January 1958.

(b) Billing Rates - Provisional payment on account of all overhead will be made on the basis of billing rates acceptable to the Contracting Officer or his authorized representative pending establishment of final overhead rates in accordance with the clause of the General Provisions hereof entitled "Negotiated Overhead Rates".

(5) Total estimated cost.

(6) Fixed fee.

The CPFF Basic Agreement No. AF33(600)7041 previously forwarded to you contains a typographical error on the top of Page 14. This confirms that the information on Page 14 before sub-paragraph 3 should be deleted.

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Sales Engineer

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